

UPDATE: REMOVAL ACTION - EX-USS WASHTENAW COUNTY (LST-116)

History:

The LST-1166 was built in 1953 as a tank landing ship for the United States Navy. After being decommissioned, it was used commercially and eventually towed to Astoria, Oregon, because of mechanical troubles in 1980. Since that time, it has been inactive and is currently owned by a non-profit organization. The vessel poses a substantial threat of discharge/release of hazardous substances into the navigable waters of the United States due to material onboard the deteriorated vessel. The COFR Guarantor cancelled the COFR as of 07 February 2008, and refuses to conduct a cleanup of the LST-1166 absent limitations on liability that the Coast Guard cannot grant. The non-profit owner is for all intents and purposes defunct.

Cost Summary:

Total direct OSLTF costs to date are \$4.586M.

Total CERCLA costs to date are \$141,577.00.

Current Actions:

The CG's CERCLA ceiling is \$249,999.99 without EPA approval. The estimated costs to clean the vessel to the EPA required 50ppm is \$6M. EPA approval is required to do any further cleaning on the vessel since it must be funded thru CERCLA. Following the EPA Superfund MOU, Sector Portland routed an Action Memo, Ref: Commander, Sector Portland, memo 16000 dated 25 November 2008 re: REQUSET FOR CONTINUED REMOVAL ACTION AT THE EX-USS WASHTENAW COUNTY (LST-116) SITE, CITY OF RAINIER, COLUMBIA COUNTY, OREGON to COMDT (CG-533) requesting an increase in CERCLA funding to \$5.3M based upon rough estimates provided to us at that time. The action memorandum submitted to CG-533 allows for coordinated discussions and approval between EPA, CG-5332 & NPFC. The Sector has not received an update as to if this memo was passed to the EPA. Their last Sector conversation was that COMDT (CG-533) was going to meet with EPA, assume Director, ERD, USEPA per superfund MOU for review and comment on the memorandum.

Phase 1 of the destruction survey is complete. This involved a salvage master from T&T Bisso surveying the LST-1166 to determine the best contingencies for disposal. The four contingencies under consideration by the COTP/FOSC - Sector Portland are:

1. Sinking the LST at sea contingency. The estimate for this option is \$8.5M. This would involve stripping all the PCB contaminated paint inside the vessel to get it below the EPA artificial reef standard of 50ppm. Richard Franklin, EPA FOSC, Portland, Oregon, is convening a meeting in January with the EPA Ocean Dumping Permit Office to determine if 50ppm is the standard even though the LST is not going to be a reef. The NOAA approved dumpsite will not be a reef and is in 1,000 fathoms of water. Previous

conversations with EPA left us with the impression that they were unwilling to budge from the 50ppm standard; however, there are new decision makers at the Ocean Dumping Office that will be briefed and weigh in on the LST. If the Ocean Dumping Permit allowed for a greater amount of PCB contaminants to remain on the vessel, the costs would decrease.

2. Barging the vessel to a scrapper in the Gulf Coast contingency. The estimate for this option is still under review. It is expected to be more expensive since we would have to pay for the travel to a shipyard.
3. There is also the option of towing to British Columbia contingency. The Canadian authorities would require the LST be cleaned on site to the EPA requirement before being towed into Canada.
4. Turn this project over to the EPA contingency. It is a remediation project and according to 40 CFR 300.120(a), the "USCG OSC shall contact the cognizant RPM as soon as it is evident that a removal may require a follow-up remedial action, to ensure that the required planning can be initiated and an orderly transition to an EPA or state lead can occur."

Currently, the Sector FPN is incurring a cost of \$2,100.00/day to provide security onboard the LST. The security is required to prevent destruction of the work already complete. This vessel has a long history of being a site for metal theft, illegal dumping and drug use.

NOAA has approved the proposed dumpsite, which is 60 miles off the Columbia River entrance in 1,000 fathoms of water.

There is ongoing legal work in pursuing a case against the owner/COFR of the LST for cost reimbursement. The LST case was referred to DOJ via CG-0945 and DHS General Counsel, but no word on it being received at DOJ as of this date. Tom Van Horn (NPFC Attorney) did send an e-mail to CG-0945 asking the status of this referral.

Timeline:

The timeline questions are much more difficult to pin down. The time to clean it and sink it is estimated to be 6 months. This depends on when the decision on PCB levels is made. Secondly, the timeframe to get an Ocean Dumping Permit depends on an EPA decision. Finally, because of the condition of the hull, if the sinking contingency were chosen, the LST would have to be towed out during the calmer sea states, likely summer months due to the hull material condition, which has over 100 temporary patches.

Future Actions:

1. We need help getting a final determination as to "How clean is clean?" for the PCB levels. Everything is in a holding pattern now until EPA makes this determination. The EPA Ocean Dumping Permit Office in Seattle indicated a 50ppm requirement for artificial reefs; however, this vessel is going to be sunk 60 miles off the Columbia River entrance in 1,000 fathoms of water. This will not result in an artificial reef.
2. We need help in obtaining an Ocean Dumping Permit from the EPA to sink this vessel.
3. We need help with the follow-up to the Action Memorandum which will allow us to increase the CERCLA funding in order to clean the LST to the PCB standard set by the EPA's Dumping Permit.

Desired End State:

That the EX-USS WASHTENAW COUNTY (LST-116) no longer poses a substantial threat of discharge/release of hazardous substances into the navigable waters of the United States.

-----Original Message-----

From: Smith, Jeannot LCDR

Sent: Friday, December 18, 2009 8:59 AM

To: Phillips, Robert D CAPT; Palmeri, Salvatore CAPT

Subject: FW: PACAREA Vessel Destruction cases - update request

CAPTs,

Please have your staffs provide us updates on the destruction cases for the M/V HUSKY II (D17) and the LST-1166 (D13) by 28DEC09.

I will compile and forward to CG-5332.

Thank you.

v/r,

LCDR Smith, Jeannot

-----Original Message-----

From: Saviano, Leora LTJG

Sent: Friday, December 18, 2009 8:26 AM

To: Smith, Jeannot LCDR

Cc: Bock, Edward CDR; Lally, Joseph LCDR; Kauffman, Meridena LCDR

Subject: PACAREA Vessel Destruction cases - update request

Good morning LCDR Smith,

I work for CAPT Anthony Lloyd in the Headquarters Office of Incident Management and Preparedness as the Vessel Destruction POC and I would like to reach out to PACAREA for updates on the following two vessel destruction cases:

M/V HUSKY II in Seldovia, AK. We know Sector Anchorage began the historical data recovery process as determined by the Alaska State Historical Preservation Office in October, and that the timeframe for completion is Spring 2010. If we could get a current status update, that would be very helpful for our upcoming January brief to our directorate.

M/V WASHTENAW COUNTY LST-1166 in Portland, OR. This vessel was authorized for destruction by the CCG earlier this year, and we believe Sector Portland is in the process of determining a way ahead with regard to removal options and funding, working with both the state of Oregon and the EPA. Any new information on their progress will go into our directorate brief as well.

Thank you, sir, and please let me know if you have any questions.

Very Respectfully,

Leora

LTJG Leora Saviano

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